Funds Managed by:

AKD Investment Management Ltd.

Half Yearly Report
December 31, 2015
(Un-audited)

half yearly report

AKD OPPORTUNITY FUND

AKD INDEX TRACKER FUND

AKD CASH FUND

AKD AGGRESSIVE INCOME FUND

Partner with AKD Profit from the Experience

AKD Investment Management Ltd.

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CORPORATE INFORMATION

MANAGEMENT COMPANY

AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman
Mr. Abdul Karim Memon

Director & Chief Executive Officer
Mr. Imran Motiwala

Directors
Mr. Ali Wahab Siddiqui
Mr. Hasan Ahmed
Mr. Ahmed Abdul Sattar
Mr. Nadeem Saulat Siddiqui
Mr. Saim Mustafa Zuberi*

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Noureen Nadir Ali

HEAD OF COMPLIANCE OF THE MANAGEMENT COMPANY

Mr. Rashid Ahmed

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. Ahmed Abdul Sattar (Member)
Mr. Hasan Ahmed (Member)
Ms. Noureen Nadir Ali (Secretary)

HUMAN RESOURCE & REMUNERATION COMMITTEE (HR & R)

Mr. Abdul Karim Memon (Chairman)
Mr. Imran Motiwala (Member)
Mr. Ahmed Abdul Sattar (Member)

RATING

AKD Investment Management Ltd. (AMC)
AM3 (AM Three) issued by PACRA
AM3 (AM Three) issued by JCR-VIS

*Appointed in place of Mr. Saad Iqbal who resigned on January 5, 2016.

Vision

To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

Mission Statement

AKD Fund shall continuously strive to:

- *Keep primary focus on investing clients' interest*
- *Achieve highest standards of regulatory compliance and good governance*
- *Prioritize risk management while endeavoring to provide inflation adjusted returns on original investment*
- *Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy*
- *Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent superior performance*
- *Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth*

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF) and AKD Aggressive Income Fund (AKDAIF) is pleased to present its interim report along with the Funds' accounts for the half year ended December 31, 2015.

Funds' Financial Performance

AKD Opportunity Fund (AKDOF)

For the 1HFY16, the return of AKD Opportunity Fund stood at 7.32% compared to the benchmark KSE-100 Index return of -4.60%, thus significantly outperforming the benchmark by 11.92%.

AKD Index Tracker Fund (AKDITF)

For the 1HFY16, the return of AKD Index Tracker Fund stood at -5.40% compared to the benchmark KSE-100 Index return of -4.60%.

AKD Cash Fund (AKDCF)

For the 1HFY16, the annualized return of AKD Cash Fund stood at 5.60% compared to benchmark return of 5.60%, thus performance remains in line with benchmark.

AKD Aggressive Income Fund (AKDAIF)

For the 1HFY16, the annualized return of AKD Aggressive Income Fund stood at 8.0% compared to the benchmark return of 7.04%, thus outperforming the benchmark by 0.96%.

Macro Perspective

The major macroeconomic indicators continued to exhibit improvements in the 1HFY16 based on the prudent monetary and fiscal policy, increased credit off take and higher remittances. CPI inflation during 1HFY16 clocked in 2.1%YoY as compared to 6.1%YoY in the corresponding period last year. Throughout 1HFY16, downward momentum of inflation was driven by soft international commodity and oil prices. Going forward, State Bank of Pakistan expects that average inflation in FY16 to range between 3%YoY to 4%YoY due to benign outlook of global commodity prices, expectation of moderate pickup in domestic demand and further ease in supply side constraints.

Large scale manufacturing (LSM) showed growth of 4.4%YoY during July-Nov FY16 as compared to 3.1%YoY in the same period last year. LSM benefited from falling international prices of key inputs, better energy situation, increased domestic demand for consumer durables and expansion of construction activities. In this regard, the real GDP is expected to maintain the previous growth momentum. It is expected that economic activity will improve further as infrastructure and energy projects under CPEC continue to materialize.

The total liquid foreign exchange reserves of Pakistan reached its highest level of USD 21.07 billion by end of 1HFY16 as compared to USD 15.27 billion at the end of 1HFY15. At the same time, International Monetary Fund (IMF) released ninth tranche of USD 498.10 million in December 2015 under the Extended Fund Facility. On Sept, 2013, IMF had approved the three-year extended financing arrangement of about USD 6.64billion for Pakistan of which USD 4.98 billion has been disbursed. Overseas Pakistani workers remitted to USD 9.74 billion in 1HFY16, as compared to USD 9.16 billion received during the corresponding period reflecting growth of 6.6% YoY.

The muted inflation and strengthening foreign exchange reserve had a favorable impact on overall economic activity. In this regard, State Bank of Pakistan announced policy rate cut of 50bps to 6% in the September Monetary Policy Statement (MPS).

Tax collection, on other hand, remained an uphill task as Federal Board of Revenue (FBR) collected PKR 1.37 trillion against its target of approximately PKR 1.39 trillion thus falling short by PKR 20 billion. Although, FBR has not been able to achieve its target but deficit has been considerably reduced on basis of controlled expenditure and increased revenues. During the July-December period, the FBR collections were PKR 198 billion more than the comparative period of the previous year, recording an increase of 16.9%.

Pakistan's overall balance of payment continued to strengthen in 1HFY16 as the imports of the country reduced by 8%YoY reaching USD 22.24 billion during the period under review as compared to USD 24.14 billion in the corresponding period last year. In addition, exports of 1HFY16 were recorded at USD10.32 billion as compared with USD 12.6 billion in the corresponding period, reflecting 14.4%YoY decline. This resulted in contraction of trade deficit to USD 11.92 billion in 1HYFY16 as compared with USD 12.1 billion in the corresponding period last year.

Equity market review

The KSE-100 index started the FY16 on a positive note recording 3.9% return in the month of July; however index fell by 4.6% overall in 1HYF16. Primary reason for the underperformance of index was low investor confidence as NAB/FIA carried out investigations against brokers. Negative news flow continued internationally as well, as concerns over China's economic slowdown and US-Federal Reserve rate hike dampened KSE's performance. Consequently, foreign investors sold equity worth USD 241 million during 1HFY16 compared to net buying of USD 113 million in 1HFY15.

During the period under review, State Bank of Pakistan (SBP) cut the discount rate by 50 basis points in September'15 monetary policy statement, continuing the easing cycle from previous fiscal year. The primary reason for this move was historic low level of average CPI inflation, which recorded at a 2.08%YoY during 1HFY16, against 6.12%YoY in same period last year. However, these developments brought no excitement to the investors as negative sentiment outweighed the positive developments.

Weak prospects of regional capital markets and weak commodity prices remained to be a major obstacle in the way of sustained rally in the market. During 2QFY16, the prevailing uncertainty deepened further, as evident from investor's participation in the market which saw a QoQ decline of approximately 48% and 37% in average daily turnover (ADT) and average daily traded value (ADTV), respectively.

Money Market Review

Due to low inflation and improving economic conditions, SBP reduced discount rate by 50bps during 1HFY16. Government raised total amount of PKR 2.65 trillion in 1HFY16 compared to PKR 2.27 trillion raised in 1HFY15 through T-Bills and PIB auctions. The State Bank of Pakistan (SBP) carried out a total of 13 T-Bills auctions where the government managed to raise PKR 2.25 trillion. While only PKR 925 billion was raised during 2QFY16. SBP also conducted 6 auctions of PIB's and managed to raise PKR 401 billion during 1HFY16. During this period, weighted average yield on 3, 6, 12-months T-Bills were 6.59%, 6.60%, 6.69% respectively down from 9.84%, 9.85%, and 9.83% during the corresponding period last year. The PIB auctions followed suit where weighted average maturities yield on 3, 5, 10 years PIB declined to 7.34%, 8.30%, 9.24% respectively from 11.75%, 12.15%, 12.75% in the corresponding period last year. During 1HFY16, State Bank of Pakistan conducted 46 open market operations (OMO's) of different maturities and injected average amount of PKR 710 billion per OMO's at an average cut off yield of 6.22%.

Future Outlook

Currently, Pakistan is facing severe energy crisis hurting competitiveness of companies, creating hurdles to economic progression and adversely affecting the trade deficit. However, China Pakistan economic corridor (CPEC) worth USD 46 billion is expected to spur high economic growth by boosting investment in transportation, infrastructure and addressing energy crisis. Pakistan witnessed strong improvement in economic fundamentals during CY15 due to low commodity prices, which led to improved current account position and low inflation. This has helped improve investor confidence as measured by various institutions/trade bodies like State Bank of Pakistan, etc.

Going forward, we believe the economy of Pakistan is expected to achieve sustainable growth driven by low inflation, favorable commodity prices, increase in foreign exchange reserves and foreign remittances and growth in tax collection. Pakistan equity market is expected to be the top performing market in the CY16, where we expect KSE-100 index to witness a strong positive trajectory on the back of lower policy rate, improved economic outlook, materialization of privatization process and growth in corporate profitability. Moreover, MSCI's decision to review Pakistan for potential reclassification into emerging markets is another reflection of strengthening economic dynamics. A reclassification will improve the outlook of Pakistan's stock market and its exposure to foreign institutional investors.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: February 19, 2016

AKD Aggressive Income Fund
Financial Information - First Half FY16

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AKD Aggressive Income Fund

AKD AGGRESSIVE INCOME FUND

MANAGEMENT COMPANY
AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

TRUSTEE
Central Depository Company
of Pakistan Limited
CDC House 99-B, Block-B
S.M.C.H.S.,
Main Shahra-e-Faisal,
Karachi.

BANKERS
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
BankIslami Pakistan Limited
Bank Al-Habib Limited
Dubai Islamic Bank Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
NIB Bank Limited
Soneri Bank Limited
Summit Bank Limited
The Bank of Khyber
The Bank of Punjab
United Bank Limited

AUDITORS
Deloitte Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharhrah-e-Faisal,
Karachi-75350

LEGAL ADVISER
Sattar & Sattar Attorneys -at -law
3rd Floor, UBL Building,
I.I. Chundrigar Road, Karachi

REGISTRAR
AKD Investment Management Limited.
216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
UAN: 111-253-465 (111-AKDIML)

DISTRIBUTORS
AKD Investment Management Limited
AKD Securities Limited
BMA Capital Management Limited
First Street Capital (Pvt.) Limited
IGI Investment Bank Limited
KASB Securities Limited
Savings Lounge (Pvt.) Limited

RATING
AKD Aggressive Income Fund
JCR-VIS: BBB(f) [Triple B (f)]

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and type:

Open end Aggressive Fixed Income Scheme

ii) Statement of Collective Investment Scheme's investment objective:

AKDAIF is a dedicated fund that focuses primarily on fixed income securities and instruments. The objective of AKDAIF is to offer investors a convenient vehicle to invest in a diversified portfolio of fixed income securities / instruments that provide consistent returns with concern for preservation of capital over the longer term.

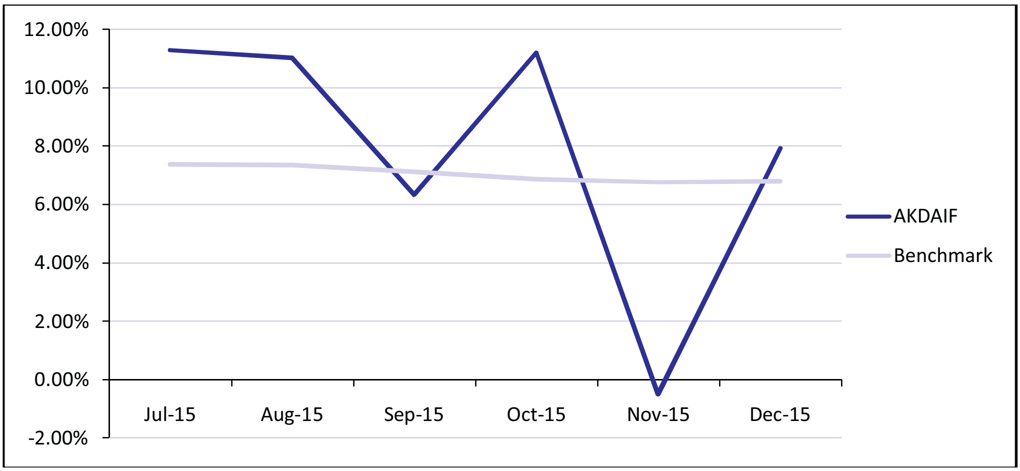
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1HFY16, the annualized return of the AKD Aggressive Income Fund stood at 8.00% compared to the benchmark return of 7.04%, thus outperforming the benchmark by 0.96%.

iv) Statement of benchmark (s) relevant to the Collective Investment Scheme:

1 Year KIBOR

v) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmark:



Monthly yield (annualized)	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
AKDAIF	11.30%	11.03%	6.33%	11.03%	-0.71%	7.94%
Benchmark	7.37%	7.35%	7.12%	6.87%	6.76%	6.81%

vi) Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance:

AKD Aggressive Income Fund is an open end aggressive fixed income schemes, the return of the funds are generated through investment in T-bills, Margin Trading System, Spread transaction and corporate debt instruments. AKDAIF is fully complied with the relevant policies and procedures as per fund's regulatory requirement.

vii) Disclosure of Collective Investment Scheme's asset allocation as the date of the report and particulars of significant changes in asset allocation since the last report (if applicable):

Asset Allocation (% of Total Asset)	31-Dec-2015	30-Sep-2015
Cash and Cash Equivalents	22.07%	58.23%
Placement with NBFCs	0.42%	0.38%
Preference Shares	0.77%	0.69%
MTS	14.54%	3.60%
Pakistan investment bonds	34.62%	31.28%
TFCs / SUKUK	4.36%	3.92%
Other assets including receivables	2.80%	1.90%
Placement with Banks (TDR)	9.79%	-
Spread Transaction (Cost)	10.63%	-

viii) Non-Compliant Investment

Name of Non Compliant Investment	Type of Investment	Value of Investment before Provision	Provision made during the period	Value of Investment after Provision	Percentage of Net Assets	Percentage of Gross Assets
		Rupees in '000'				
Security Leasing Corporation Limited	Preference Shares	5,099	-	5,099	0.78%	0.77%

ix) Analysis of the Collective Investment Scheme's performance:

1HFY16 Return (annualized)	8.00%
Benchmark (annualized)	7.04%

x) Changes in total NAV and NAV per unit since the last reviewed period:

Net Asset Value			NAV per Unit	
31-Dec-2015	30-Sep-2015	Change	31-Dec-2015	30-Sep-2015
(Rupees in '000)			(Rupees)	
650,883	723,429	-10.02%	52.3119	51.5090

xi) Disclosure on the markets that the Collective Investment Scheme has invested in including-reviews of the market (s) invested in and return during the period:

Economy

The key macroeconomic indicators continued to exhibit improvements in 1HFY16 based on the prudent monetary and fiscal policy, increased credit off take and higher remittances. Headline Consumer Price Index (CPI) has been considerably low, reaching 2.1%YoY for 1HFY16 as compared to 6.1%YoY in the corresponding period last year. Subdued inflation was due to falling oil and commodity prices internationally. Keeping in view the bleak outlook of global commodities prices, expectation of a moderate pickup in domestic demand and further ease in supply side constraints, SBP expects that average inflation in FY16 to remain in the range of 3%YoY to 4%YoY.

Most important achievement on the macroeconomic front is continuous improvement in liquid foreign exchange reserves position. Total foreign reserves increased to USD 21.07 billion at the end of 1HFY16 as compared to USD 15.27 billion in the corresponding period of last year. Overseas Pakistani workers remitted USD 9.74 billion in 1HFY16, a growth of 6.26%YoY against remittance amounting to USD 9.16 billion received during the same period of the preceding year. In addition, International Monetary Fund (IMF) released its 9th tranche of USD 498.10 million in December 2015 under Extended Fund Facility. Previously, IMF had approved the three-year extended arrangement of about USD 6.64 billion for Pakistan of which USD 4.98 billion has been disbursed already.

LSM growth has witnessed an upward trajectory on the back of falling international prices of inputs, higher demand for consumer durables, expansion of construction activities and an improving energy situation. It showed growth of 4.4%YoY in 1HFY16 considerable improvement over 3.1%YoY in the same period last year. Looking forward, economic activity is expected to improve further on the back of materialization of mega projects worth USD 46 billion under China-Pakistan Economic Corridor (CPEC).

Low inflation and strong FX reserves position created room for SBP to further ease the monetary policy. Resultantly, SBP slashed the policy rate by 50bps to 6% in the September'15 Monetary Policy Statement (MPS).

Despite the fact that FBR missed the target of revenue collection during the period under consideration; the country's fiscal deficit has been largely reduced due to controlled expenditures and increasing sales tax. FBR collected PKR 1.37 trillion during 1HFY16 as compared to a target of PKR 1.39 trillion, short by PKR 20 billion. During the period July-December 2015, FBR collected PKR 198 billion more than they had collected in the corresponding period of last year, an increase of 16.9%YoY.

Balance of payment position of Pakistan continued to improve in the period under review, as the imports reduced by 8%YoY in 1HFY16 to USD 22.14 billion from USD 24.14 billion 1HFY15. Exports were also on a declining trend during 1HFY16, as they fell by 14.4%YoY reaching USD 10.32 billion. However, trade deficit reduced by 1.48%YoY from USD 11.92 billion during 1HFY16, as opposed to USD 12.10 billion in same period last year.

Money Market

Due to low inflation and improving economic conditions, SBP reduced discount rate by 50bps during 1HFY16. Government raised total amount of PKR 2.65 trillion in 1HFY16 compared to PKR 2.27 trillion raised in 1HFY15 through T-Bills and PIB auctions. The State Bank of Pakistan (SBP) carried out a total of 13 T-Bills auctions where the government managed to raise PKR 2.25 trillion. While only PKR 925 billion was raised during 2QFY16. SBP also conducted 6 auctions of PIB's and managed to raise PKR 401 billion during 1HFY16. During this period, weighted average yield on 3, 6, 12-months T-Bills were 6.59%, 6.60%, 6.69% respectively down from 9.84%, 9.85%, and 9.83% during the corresponding period last year. The PIB auctions followed suit where weighted average maturities yield on 3, 5, 10 years PIB declined to 7.34%, 8.30%, 9.24% respectively from 11.75%, 12.15%, 12.75% in the corresponding period last year. During 1HFY16, State Bank of Pakistan conducted 46 open market operations (OMO's) of different maturities and injected average amount of PKR 710 billion per OMO's at an average cut off yield of 6.22%.

Future outlook

Based on the benign outlook of commodity prices, SBP expects that inflation will remain in range of 3 to 4 percent in FY16 mainly due to expectations of a moderate pick up in domestic demand and further ease in supply side constraints.

The private sector credit off-take increased by PKR 115 billion to clock in at PKR 339.8 billion during 1HFY16 as compared to PKR 224.5 billion in same period last year. This increase can be attributed to improved financial conditions of the corporate sector and healthier business environment which encouraged firms to avail credit for fixed investments. Going forward, improvement in LSM, expansion plans announced by major industries and easing monetary policy are expected to further increase the demand for credit.

According to the latest auction calendar released by the central bank, Government has planned to borrow PKR 1.6 trillion through the sale of 3M, 6M and 12M T-bills. The government is also set to raise PKR 200 billion through the sale of 3Yr, 5Yr, 10Yr and 20Yr Pakistan Investment Bonds (PIB's). We expect the interest rate to remain steady for CY16 due to low inflationary environment, continuous improvement in foreign exchange reserve position on the back of privatization proceeds and IMF payments leading to a stable exchange rate.

In 2QFY16, the overnight repo rate remained slightly above the SBP target rate on the back of increased government borrowing but it is expected that the difference in overnight repo rate and target rate will ease in 2HFY16. Primary reason for normalization of this difference can be attributed to improved government revenue collections and timely receipt of foreign inflows, thus easing the pressure off government.

xii) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements:

There were no significant changes in the state of affairs during the period under review.

xiii) Disclosure on unit split (if any), comprising:

There were no unit splits during the period.

xiv) Breakup of unit holding by size:

Range (Units)	No. of Investors
0.1 - 9,999	29
10,000 - 49,999	15
50,000 - 99,999	8
100,000 - 499,999	2
500,000 and above	4
	58

xv) Disclosure of circumstances that materially affect any interest of unit holders:

Investments are subject to credit and market risk.

xvi) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commissions have been received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of AKD Aggressive Income Fund (the Fund) are of the opinion that AKD Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2015 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and

(iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 25, 2016

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AKD AGGRESSIVE INCOME FUND** as at December 31, 2015, and the related condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2015. Management Company (AKD Investment Management Limited) is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the quarters ended December 31, 2015 and 2014 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2015.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Deloitte Yousuf Adil
Chartered Accountants
Engagement Partner: Mushtaq Ali Hirani

Karachi: February 19, 2016

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2015

	Note	(Unaudited) December 31, 2015	(Audited) June 30, 2015
		----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	**22,943**	28,938
Investments	5	**453,997**	474,727
Receivable against Margin Trading System		**96,532**	15,530
Loans and receivables	6	**72,862**	7,862
Profit and other receivables	7	**14,630**	16,368
Deposits and prepayments	8	**3,027**	3,027
Total assets		**663,991**	546,452
LIABILITIES			
Payable to AKD Investment Management Limited - Management Company	9	**4,253**	3,388
Payable to Central Depository Company of Pakistan Limited - Trustee	10	**116**	80
Payable to Securities and Exchange Commission of Pakistan	11	**268**	380
Accrued and other liabilities	12	**6,150**	6,330
Payable on redemption of units		**1,502**	-
Fair value of derivative		**819**	-
Total liabilities		**13,108**	10,178
NET ASSETS		**650,883**	536,274
UNIT HOLDERS' FUND (as per statement attached)		**650,883**	536,274
Contingencies and commitments	13		
		----- (Number of units) -----	
Number of units in issue		**12,442,339**	10,664,892
		---------- (Rupees)----------	
Net asset value per unit		**52.3119**	50.2841
Face value per unit		**50**	50

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Note	Half year ended December 31, 2015	Half year ended December 31, 2014	Quarter ended December 31, 2015	Quarter ended December 31, 2014
INCOME		---------------- (Rupees	in '000) ----------------		
Capital gain/(loss) on sale of investments - net		**101**	3	**51**	(6)
Profit on bank deposits		**1,378**	1,176	**536**	491
Income from government securities		**24,224**	16,976	**11,644**	9,339
Income from Term Finance Certificates and Sukuk bonds		**1,501**	7,294	**718**	5,029
Income from Term Deposit Receipts		**53**	-	**53**	-
Income from Margin Trading System		**1,945**	6,546	**1,056**	2,352
		29,202	31,995	**14,058**	17,205
Unrealised appreciation on re-measurement of invesment classified as 'financial assets at fair value through profit or loss' - net	5.6	**7,564**	20,350	**981**	30,484
Unrealised diminution in the fair value of future contracts		**(819)**	-	**(819)**	-
Total Income		**35,947**	52,345	**14,220**	47,689
EXPENSES					
Remuneration of AKDIML- Management Company		**5,361**	3,567	**2,609**	1,789
Remuneration of CDC - Trustee		**608**	404	**296**	202
Annual fee of Securities and Exchange Commission of Pakistan		**268**	178	**130**	89
Securities transaction cost		**92**	-	**89**	-
Reversal of impairment loss on investments	5.5	**(670)**	(501)	**(550)**	(174)
Auditors' remuneration		**175**	174	**87**	89
Settlement and bank charges		**60**	100	**28**	54
Fees and subscription		**482**	784	**264**	309
Legal and professional		**178**	100	**51**	50
Printing and related cost		**88**	86	**44**	42
Sales tax and federal excise duty on management fee		**1,728**	1,191	**841**	597
Sales tax on Trustee fee		**85**	-	**41**	-
Provision Workers' welfare fund		**-**	917	**-**	885
Total Expenses		**8,455**	7,000	**3,930**	3,932
Net income from operating activities		**27,492**	45,345	**10,290**	43,757
Element of income/(loss) and capital gain/(losses) included in prices of units issued less those in units redeemed		**(2,261)**	(383)	**(2,264)**	(379)
Net income for the period before taxation		**25,231**	44,962	**8,026**	43,378
Taxation	14	**-**	-	**-**	-
Net income for the period after taxation		**25,231**	44,962	**8,026**	43,378
Other comprehensive income for the period					
Unrealised diminution on re-measurement of investments classified as 'available for sale' - net		**-**	(367)	**-**	(88)
Total comprehensive income for the period		**25,231**	44,595	**8,026**	43,290
Earnings per unit - basic and diluted	15				

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	---------------- (Rupees	in '000) ----------------		
Undistributed income / (accumulated losses) brought forward				
Realised income	**15,022**	16,779	**25,607**	28,484
Unrealised (loss) / income	**(5,284)**	(37,884)	**1,336**	(48,006)
	9,738	(21,105)	**26,943**	(19,522)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - amount representing income / (losses) that form part of the unit holders' fund	**-**	(2)	**-**	(1)
Net income for the period after taxation	**25,231**	44,962	**8,026**	43,378
Undistributed income carried forward	**34,969**	23,855	**34,969**	23,855
Undistributed income comprising of				
Realised income	**32,601**	41,377	**32,601**	41,377
Unrealised income / (loss)	**2,368**	(17,522)	**2,368**	(17,522)
	34,969	23,855	**34,969**	23,855

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Half year ended December 31,		Quarter ended December 31,	
	2015	2014	2015	2014
	(Rupees in '000)			
Net assets at beginning of the period	**536,274**	470,632	**723,429**	469,502
Issue of 9,427,455 units (2014: 838,404 units for the half year ended December 31, 2014)	**481,733**	42,400	**115,367**	42,400
Redemption of 7,650,008 units (2014: 1,226,810 units for the half year ended December 31, 2014)	**(394,616)**	(61,205)	**(198,203)**	(58,766)
	87,117	(18,805)	**(82,836)**	(16,366)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
- amount representing losses and capital losses - transferred to Income Statement	**2,261**	383	**2,264**	379
- amount representing (income) / losses that form part of the unit holders' fund - transferred to Distribution Statement	**-**	2	**-**	1
	2,261	385	**2,264**	380
Net unrealised diminution on re-measurement of investments classified as ' available for sale'	**-**	(367)	**-**	(88)
Capital gain / (loss) on sale of investments	**101**	3	**51**	(6)
Unrealised appreciation/ (diminution) on re-measurement of investments at fair value through profit or loss - net	**7,564**	20,350	**981**	30,484
Unrealised diminution in the fair value of future contracts	**(819)**	-	**(819)**	-
Other net income for the period	**18,385**	24,609	**7,813**	12,900
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - amount representing income / (losses) that form part of unit holders' fund	**-**	(2)	**-**	(1)
	25,231	44,960	**8,026**	43,377
Net assets at end of the period	**650,883**	496,805	**650,883**	496,805

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Note	Half year ended December 31, 2015	Half year ended December 31, 2014	Quarter ended December 31, 2015	Quarter ended December 31, 2014
		(Rupees in '000)			
CASH FLOW FROM OPERATING ACTIVITIES					
Net income for the period before taxation		**25,231**	44,962	**8,026**	43,378
Adjustments for non-cash and other items					
Unrealised appreciation in fair value of investments classified as 'financial assets at fair value through profit or loss' - net		**(7,564)**	(20,350)	**(981)**	(30,484)
Unrealised diminution on re-measurement of future contracts		**819**	-	**819**	-
Capital (gain)/loss on sale of investments		**(101)**	(3)	**(51)**	6
Reversal of impairment loss		**(670)**	(501)	**(550)**	(174)
Element of loss and capital losses included in proces of units issued less those in units redeemed		**2,261**	383	**2,264**	379
		19,976	24,491	**9,527**	13,105
(Increase) / decrease in assets					
Investments		**(21,962)**	35,970	**(21,586)**	11,161
Receivable against Margin Trading System		**(81,002)**	28,794	**(70,117)**	(45,624)
Prepayments, deposits and profit receivables		**1,738**	2,607	**(3,738)**	(4,119)
		(101,226)	67,371	**(95,441)**	(38,582)
Increase / (decrease) in liabilities					
Payable to Management Company		**865**	608	**271**	333
Payable to Trustee		**36**	7	**(15)**	13
Payable to Securities and Exchange Commission of Pakistan		**(112)**	(177)	**130**	110
Payable on redemption of units		**1,502**	(19)	**1,502**	29
Accrued expenses and other liabilities		**(180)**	784	**(288)**	590
Fair value of derivative		**819**	-	**819**	-
		2,930	1,203	**2,419**	1,075
Net cash (used in)/generated from operating activities		**(78,320)**	93,065	**(83,495)**	(24,402)
CASH FLOW FROM FINANCING ACTIVITIES					
Net payments against issuance / redemptions of units		**87,117**	(18,805)	**(82,836)**	(16,366)
Dividend paid		**-**	(2,727)	**-**	-
Net cash (used in)/generated from financing activities		**87,117**	(21,532)	**(82,836)**	(16,366)
Net increase/(decrease) in cash and cash equivalents during the period		**8,797**	71,533	**(166,331)**	(40,768)
Cash and cash equivalents at beginning of the period		**202,747**	29,902	**377,875**	142,203
Cash and cash equivalents at end of the period	4.2	**211,544**	101,435	**211,544**	101,435

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Nadeem Saulat Siddiqui
Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Aggressive Income Fund (the Fund) was established under a Trust Deed executed between AKD Investment Management Limited (AKDIML - Management Company) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the trust deed on September 11, 2006 and it was executed on October 2, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced operations from March 23, 2007.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block 8, Clifton, Karachi, in the province of Sindh.

The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited). Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund.

The Fund is classified as Aggressive Fixed Income Scheme. The principal activity of the Fund is to make investments in government securities, cash in bank account, money market placements, deposits, certificate of deposits (COD), certificate of mushrakas (COM), TDRs, commercial paper, reverse repo, TFC/Sukuk, spread transactions and transactions under Margin Trading System. Title of the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) and JCR-VIS Credit Rating Company Limited (JCR-VIS) has assigned Asset Manager / Management Quality rating of "AM3" to the Management Company dated June 16, 2015 and January 06, 2016 respectively. JCR-VIS Credit Rating Company Limited (JCR-VIS) has also assigned fund stability rating of "BBB(f)" to the Fund dated December 31, 2015.

This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

2. STATEMENT OF COMPLIANCE

2.1 This condensed interim financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP shall prevail.

2.2 This condensed interim financial information comprises of condensed interim statement of assets and liabilities, condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof. The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. It does not include all the information and disclosures made in the annual published financial statement and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2015. The information for the condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the quarters ended December 31, 2015 and ended December 31, 2014 are un-audited and have been included to facilitate comparison.

2.3 This condensed interim financial information is unaudited, however, limited scope review has been performed by the statutory auditors in accordance with the requirements of clause (xxi) of the Code of Corporate Governance and these condensed interim financial information are being circulated to the unit holders as required under the NBFC Regulations.

2.4 The directors of the Asset Management Company declare that this condensed interim financial information give a true and fair view of the Fund.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 The accounting policies, estimates, judgments and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the fund for the year ended June 30, 2015. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2015, which donot have any impact on this condensed interim financial information except for IFRS 13 "Fair Value Measurement".

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which items should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. The application of this standard does not have an impact on this condensed interim financial information except certain additional disclosures as given in note 17.

3.2 The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2015.

3.3 Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.

3.4 The Fund's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements of the Fund as at and for the year ended June 30, 2015.

	Note	(Unaudited) December 31, 2015	(Audited) June 30, 2015
		----(Rupees	in '000)----
4. BANK BALANCES			
In savings accounts	4.1	**22,926**	28,920
In current accounts		**17**	18
		22,943	28,938

4.1 These accounts carry markup at the rate ranging from 4% to 5.75% (June 30, 2015 : 4.5% to 6%) per annum.

4.2 CASH AND CASH EQUIVALENTS

	Note		
Bank Balances	4	**22,943**	28,938
Market Treasury Bills having original maturity of upto 3 months	5.1.2	**123,601**	173,809
Term Deposit Receipts having original maturity of upto 3 months	6	**65,000**	-
		211,544	202,747

	Note	(Unaudited) December 31, 2015	(Audited) June 30, 2015
		----(Rupees	in '000)----
5. INVESTMENTS			
Financial assets at fair value through profit or loss - held for trading			
- Debt securities	5.1	**379,071**	471,121
- Listed equity securities	5.2	**71,589**	-
		450,660	471,121
Available-for-sale			
- Debt securities	5.3	**3,337**	3,606
		453,997	474,727

5.1 Financial assets at fair value through profit or loss - held for trading - Debt Securities

	Note		
Term finance certificates	5.1.1	**25,598**	24,960
Government securities	5.1.2	**353,473**	446,161
		379,071	471,121

5.1.1 Term finance certificates - Financial assets at fair value through profit or loss - held for trading

Name of the Investee Company	Number of certificates				Profit / markup rate	Carrying value	Market value	Appreciation / (diminution)	Market value as a percentage of Net Assets	Market value as a percentage of total investments
	As at July 1, 2015	Purchased during the period	Sold / fully redeemed during the period	As at December 31, 2015						
						--------------Rupees in '000'--------------				
Certificates of Rs 5,000 each unless otherwise stated										
Term finance certificates - listed										
Dewan Cement Limited - (note 5.1.1.1)	20,000	-	-	20,000	6 months KIBOR + 2.00%	-	-	-	-	-
Worldcall Telecom Limited (07-10-08)	20,000	-	-	20,000	6 months KIBOR + 1.60%	-	-	-	-	-
Pace Pakistan Limited (15.02.08)	115	-	-	115	6 months KIBOR + 2.00%	-	-	-	-	-
Summit Bank Limited (27.10.11) - (note 5.1.1.2)	5,000	-	-	5,000	6 months KIBOR + 3.25%	24,954	25,598	644	3.93	5.64
Total - December 31, 2015						**24,954**	**25,598**	**644**		
Total - June 30,2015						24,394	24,960	566		

5.1.1.1 The Fund had advanced an amount of Rs 100 million in respect of Pre-IPO placement of Dewan Cement Limited (DCL) under an agreement, which required public offering to be completed within 270 days of the date of agreement (which was January 9, 2008). Dewan Cement Limited (DCL) failed to complete the public offering within the said time period and has also defaulted in payment of principal and profit for the said period. As a matter of prudence, the Fund has made provision for the amount of the investment in accordance with the provisioning policy approved by the Board of Directors of the Management Company.

5.1.1.2 The above Tem finance certificates have been pledged with the National Clearing Company Limited (NCCPL) as collateral against the margin.

5.1.2 Government Securities - Financial assets at fair value through profit or loss - held for trading

Issue date	Tenor	Face value				Balance at December 31, 2015			Market value as a percentage of net assets	Market value as a percentage of investments
		As at July 1, 2015	Purchased during the period	Sold / matured during the period	As at December 31, 2015	Cost	Market value	Appreciation / (diminution)		
		-- Rupees in '000						--		
Pakistan Investment Bonds										
July 19, 2012	10 years	25,000	-	-	25,000	27,997	28,734	737	4.41	6.33
July 19, 2012	10 years	75,000	-	-	75,000	83,987	86,202	2,215	13.24	18.99
July 19, 2012	10 years	50,000	-	-	50,000	55,994	57,468	1,474	8.83	12.66
July 19, 2012	10 years	50,000	-	-	50,000	55,992	57,468	1,476	8.83	12.66
						223,970	229,872	5,902		
Market Treasury Bills										
May 28, 2015	3 month	100,000	-	100,000	-	-	-	-	-	-
April 16, 2015	3 month	25,000	-	25,000	-	-	-	-	-	-
April 30, 2015	3 month	50,000	-	50,000	-	-	-	-	-	-
May 14, 2015	6 month	50,000	-	50,000	-	-	-	-	-	-
March 5, 2015	6 month	-	150,000	150,000	-	-	-	-	-	-
July 23, 2015	3 month	-	50,000	50,000	-	-	-	-	-	-
May 28, 2015	3 month	-	17,500	17,500	-	-	-	-	-	-
August 20, 2015	3 month	-	140,000	140,000	-	-	-	-	-	-
September 3, 2015	3 month	-	150,000	150,000	-	-	-	-	-	-
September 17, 2015	3 month	-	100,000	100,000	-	-	-	-	-	-
June 25, 2015	6 month	-	180,000	180,000	-	-	-	-	-	-
November 26, 2015 (note 5.1.2.1)	3 month	-	135,000	85,000	50,000	49,589	49,584	(5)	7.62	10.92
December 28, 2015	3 month	-	75,000	-	75,000	74,024	74,017	(7)	11.37	16.30
						123,613	123,601	(12)		
Total - December 31, 2015						**347,583**	**353,473**	**5,890**		
Total - June 30, 2015						414,139	446,161	32,022		

5.1.2.1 On December 01, 2015, the Fund transferred treasury bills amounting to Rs. 25 million (face value) into National Clearing Company Limited (NCCPL) in respect of Exposure Margin and Mark-to-Market losses in Marginal Trading System.

5.2 Listed Equity Securities - Financial Assets at fair value through profit or loss - Held for trading

Name of the Investee Company	Number of Shares					Cost	Market value	Appreciation / (diminution)	Market value as a percentage of Net Assets	Market value as a percentage of total investments
	As at July 1, 2015	Purchased during the period	Bonus/ Right Issue	Sold during the period	As at December 31, 2015					
						--------------Rupees in '000'-------------				
Arif Habib Corporation Limited	-	9,500	-	-	9,500	487	486	(1)	0.07	0.11
D.G. Khan Cement Company Limited	-	100,000	-	-	100,000	14,250	14,759	509	2.27	3.25
Engro Corporation Limited	-	11,000	-	-	11,000	3,059	3,073	14	0.47	0.68
Maple Leaf Cement Factory Limited	-	250,000	-	-	250,000	17,813	18,645	832	2.86	4.11
Nishat Mills Limited	-	200,000	-	-	200,000	18,690	18,974	284	2.92	4.18
Sui Northern Gas Pipelines Limited	-	185,000	-	-	185,000	4,698	4,447	(251)	0.68	0.98
Sui Southern Gas Company Limited	-	300,000	-	-	300,000	11,562	11,205	(357)	1.72	2.47
Total - December 31, 2015						**70,559**	**71,589**	**1,030**		
Total - June 30, 2015						-	-	-		

The above equity securities were purchased in the ready market and simultaneously sold in the future market, resulting in spread income due to difference in ready and future stock prices.

5.3 Debt Securities - Available for sale

Name of the Investee Company	Number of certificates / bonds				Profit / markup rate	Cost	Market value as at Dec 31, 2015	Appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2015	Purchased during the period	Sold / fully redeemed during the period	As at December 31, 2015						
						--------------Rupees in '000'-------------				
Certificates of Rs 5,000 each unless otherwise stated										
Sukuk certificates - unlisted										
New Allied Electronics industries (Private) Limited face value Rs. 312.50 each (25-07-07)	96,000	-	-	96,000	3 months KIBOR + 2.60%	30,000	-	(30,000)	-	-
Maple Leaf Cement Factory Limited (03.12.07)	2,000	-	-	2,000	3 months KIBOR + 1.70%	3,353	3,337	(16)	0.51	0.74
						33,353	3,337	(30,016)		
Less: Impairment recognised in the income statement in current and prior periods **(note 5.5)**						30,016	-	30,016		
Total - December 31, 2015						**3,337**	**3,337**	**-**		
Total - June 30, 2015						3,606	3,606	-		

		Note	(Unaudited) December 31, 2015	(Audited) June 30, 2015
			--------(Rupees in '000)--------	
5.4	**Net unrealized appreciation / (diminution) on remeasurement of investments classified as 'available-for-sale' - net**			
	Market value of investments	5.3	**3,337**	3,606
	Less:			
	Cost of investments	5.3	**33,353**	34,292
	Impairment loss recognized	5.3	**(30,016)**	(30,686)
			3,337	3,606
			-	-
	Less: Net unrealized appreciation in fair value of investments classified as available-for-sale at beginning of the period		**-**	367
			-	(367)
5.5	**Movement of impairment loss - Available for sale**			
	Opening		**30,686**	31,794
	Less: reversal due to redemption of securities		**(670)**	(1,108)
	Closing	5.3	**30,016**	30,686
5.6	**Unrealized appreciation/ (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net**			
	Market value of securities	5.1.1, 5.1.2 & 5.2	**450,660**	471,121
	Less: carrying value of securities	5.1.1, 5.1.2 & 5.2	**(443,096)**	(438,533)
			7,564	32,588
6.	**LOANS AND RECEIVABLES**			
	Certificates of investments			
	Saudi Pak Leasing Company Limited	6.1	**2,763**	2,763
	Preference shares			
	Security Leasing Corporation Limited	6.2	**5,099**	11,352
	Less: impairment recognized during the period		**-**	(6,253)
			5,099	5,099
	Term Deposit Receipts			
	Dubai Islamic Bank Limited	6.3	**65,000**	-
			72,862	7,862

6.1 All monthly installments and upfront payment has been received in full as per agreed terms. The balance receivable will be recovered against 425,000 shares of Pace Barka Properties Limited at an agreed value of Rs. 2.76 million.

6.2 In view of the adverse financial position, Security Leasing Corporation Limited had deferred the payment of 3rd redemption pertaining to 1,722,625 shares (face value of Rs. 10 each) due in November 2009 and 4th redemption pertaining to 1,722,625 shares (face value of Rs. 10 each) due in November 2010.

During the year ended June 30, 2015 the management made provision amounting to Rs. 6.25 million on the basis of breakup per share as per the financial statements of Security Leasing for the nine months ended March 31, 2015. The management believes that no further provision is required against this amount.

6.2.1 Non-compliance with the investment criteria as specified by the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan vide circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorization criteria laid down in the circular. AKD Investment Management Limited (Management Company) classified AKD Aggressive Income Fund (the Fund) as 'Aggressive Fixed Income Scheme' in accordance with the said circular. As at December 31, 2015, the Fund is compliant with all the requirements of the said circular except for investment in preference shares of Security Leasing Corporation Limited.

6.3 Term Deposit Receipts

Particulars	Maturity Date	Balance as at December 31, 2015	Value as a percentage of net assets	Value as a percentage of investment
		Rs. '000		
Dubai Islamic Bank Limited	March 28, 2016	32,500	4.99	7.16
Dubai Islamic Bank Limited	March 28, 2016	32,500	4.99	7.16
Total - December 31, 2015		**65,000**	**9.99**	**14.32**
Total - June 30, 2015		-	-	

	Note	(Unaudited) December 31 2015	(Audited) June 30, 2015
		-----(Rupees	in '000)-----
7. PROFIT AND OTHER RECEIVABLES			
Profit / income receivable on:			
- Term Finance and sukuk Certificates		**3,079**	5,425
- Term Deposit Receipts		**53**	-
- Margin Trading System		**482**	117
- Bank deposits		**131**	108
- Pakistan Investment Bonds		**10,885**	10,718
		14,630	16,368
8. DEPOSITS AND PREPAYMENTS			
Security deposits with			
- National Clearing Company of Pakistan Limited (NCCPL)		**2,750**	2,750
- Central Depository Company of Pakistan Limited		**100**	100
		2,850	2,850
Prepayment - NCCPL Annual fee (MTS)		**50**	177
Prepayment - KSE Annual fee		**25**	-
Prepayment - Credit Rating fee		**102**	-
		3,027	3,027
9. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Federal Excise Duty on Management Remuneration	9.1	**3,264**	2,406
Sales tax payable	9.3	**138**	116
Management fee	9.2	**851**	668
Sales load		**-**	198
		4,253	3,388

9.1 The Finance Act 2013 introduced an amendment to Federal Excise Act 2005 where by Federal Excise Duty (FED) has been imposed at the rate of 16% of the services rendered by assets management companies.

In this regard, a Constitutional Petition has been filed by certain Collective Investment Schemes through their trustees in the Honourable Sindh High Court (SHC), challenging the levy of FED on Asset Management services after the eighteenth amendment. In this respect, the SHC has issued a stay order against the recovery of FED and the hearing of the petition is still pending. The management, as a matter of prudence, has decided to retain and continue with the provision of FED in financial information aggregating to Rs. 3.264 million as at December 31, 2015. Had the said provision of FED were not recorded in the books of account of the Fund, the NAV of the Fund would have been higher by Re. 0.26 per unit (0.50%) as at December 31, 2015."

9.2 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations), the Management Company of the Fund is now entitled to a remuneration of an amount not exceeding 1.5 percent of average annual net assets in case of Aggressive Fixed Income Fund through amendments in the said regulations vide SRO 1160(I)/2015 dated November 25, 2015.

During the current period, the Management Company has charged 1.5 percent per annum of daily net assets value of the Fund.

9.3 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 14% (June 30, 2015: 15%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

	Note	(Unaudited) December 31, 2015	(Audited) June 30, 2015
		-----(Rupees in '000)-----	
10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee fee	10.1	**96**	76
CDS charges		**5**	4
Sales tax on trustee fee	10.2	**14**	-
Sales tax on CDS charges		**1**	-
		116	80

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily Net Assets of the Fund.

10.2 The Sindh Revenue Board through Circular No. SRB 3-4/TP/01/2015/86554 dated June 13th 2015 has amended the definition of services of shares, securities and derivatives and included the custodianship services as well. Accordingly, Sindh Sales Tax of 14% is applicable on Trustee fee which is now covered under the section 2(79A) of the Sindh Finance Bill 2010 (amended upto 2015). Accordingly, the Fund has made an accrual of Rs. 0.02 million on account of Sindh Sales Tax on Trustee services.

11. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents non refundable annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay annually an amount equal to 0.075% (June 30, 2015: 0.075%) per annum of the daily net assets value of the Fund.

	Note	(Unaudited) December 31, 2015	(Audited) June 30, 2015
		-----(Rupees in '000)-----	
12. ACCRUED EXPENSES AND OTHER LIABILITIES			
NCCPL clearing charges		**72**	29
Brokerage		**89**	-
Auditors' remuneration		**172**	271
Provision for Workers Welfare Fund	12.1	**4,847**	4,847
Others		**956**	891
Witholding tax payable		**14**	292
		6,150	6,330

12.1 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance), whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment, all Collective Investment Schemes (CISs) / mutual funds whose income exceeds Rs.0.5 million in a tax year have been brought within the scope of the WWF Ordinance thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable Sindh High Court (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In 2011, a single judge of the Honourable Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts, 2006 and 2008 have been declared unconstitutional and therefore struck down.

However in 2013, the Larger Bench of Honourable Sindh High Court (SHC) issued a judgment in response to a petition in another similar case in which it was held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity.

Further in 2014, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked essential mandate to be introduced and passed through the Money Bill under the Constitution.

The Finance Act 2015 incorporated an amendment in WWF Ordinance by excluding Collective Investment Scheme (CIS) from the definition of Industrial Establishment, and consequently CIS are no more liable to pay contribution to WWF with effect from July 01, 2015. Owing to the fact that decision of SHC on the applicability of WWF (till June 30, 2015) to the CISs is currently pending for adjudication, the Management Company has decided to retain the provision of WWF in its books of accounts and financial statements till June 30, 2015 which aggregates to Rs. 4.847 million. Had the said provision of WWF not been recorded in the books of accounts of Fund, the NAV of the Fund would have been higher by Re. 0.39 per unit (0.74%). However, with effect from July 01, 2015, the Fund stopped making further provision of WWF in pursuance to the said amendment of the Finance Act 2015.

On June 04, 2015, the Provincial Assembly of Sindh promulgated the Sindh Worker's Welfare Fund Act, 2015 (the "SWWFA 2015"). The management company is of the view that mutual funds do not fall under the definition of financial institutions, as referred in section 2(g)(v) of the said Act and therefore its income is not subject to charge accordingly.

13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

There were no contingencies as at December 31, 2015 and June 30, 2015.

13.2 Commitments	(Unaudited) December 31, 2015	(Audited) June 30, 2015
	------(Rupees in '000)------	
Margin Trading System (MTS) transactions entered into by the Fund in respect of which the purchase transactions not settled as at period / year end	**9,499**	-
Margin Trading System (MTS) transactions entered into by the Fund in respect of which the sale transactions not settled as at period / year end	**16,268**	3,486
Future contracts - sale	**71,267**	-

14. TAXATION

The Fund's income is exempt from Income Tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance) subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised, is distributed amongst the unit holders. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Ordinance. As the management intends to distribute at least 90% of income earned during current year to the unit holders, therefore no provision for taxation has been made in this condensed interim financial information.

15. EARNINGS PER UNIT - BASIC AND DILUTED

Earnings per unit (EPU) has not been disclosed, as in the opinion of the management, determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

16. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include AKD Investment Management Limited, being the Management Company of the Fund, Central Depository Company of Pakistan Limited being the Trustee, Aqeel Karim Dhedhi Securities (Private) Limited, other collective schemes managed by the Management Company, AKD Investment Management Limited - Staff Provident Fund, directors and officers of the Management Company, unit holder's holding move them 10% of the units outstanding and entities having common directorship with the Management Company. All transactions with connected persons are in the normal course of business and are carried out on agreed terms.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of transactions and balances with connected persons are as follows:

	------------------------Unaudited------------------------			
	Half year ended December 31, 2015	Half year ended December 31, 2014	Quarter ended December 31, 2015	Quarter ended December 31, 2014
16.1 Transactions during the period	--------------------(Rupees in '000)--------------------			
AKD Investment Management Limited - Management Company				
Purchase of units (2015: 200,180 ; 2014: Nil)	**10,176**	-	**2,395**	-
Redemption of units (2015: 204,015 ; 2014: Nil)	**10,474**	-	**4,074**	-
Management fee	**5,361**	3,567	**2,609**	1,789
Sales Tax on management fee	**870**	621	**423**	311
Federal Excise Duty on management fee	**858**	570	**418**	286
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of Trustee	**608**	404	**296**	202
Sales Tax on Trustee fee	**85**	-	**41**	-
AKD Investment Management Limited - Staff Provident Fund				
Purchase of units (2015: 233,290 ; 2014: Nil)	**11,840**	-	**-**	-
Redemption of units (2015: 225,005 ; 2014: Nil)	**11,500**	-	**6,500**	-
Director of the Management Company				
Saad Iqbal				
Purchase of units (2015: 98,097 ; 2014: Nil)	**5,000**	-	**-**	-
Key Management Personnel and others				
Spouse- Chief Executive Officer				
Purchase of units (2015: 568,688 ; 2014: Nil)	**29,129**	-	**-**	-
Redemption of units (2015: 568,688 ; 2014: Nil)	**29,560**	-	**29,560**	-
Close Relative of the Sponsor of the Management Company				
Purchase of units (2015: 28,719 ; 2014: Nil)	**1,500**	-	**1,500**	-
Redemption of units (2015: 28,719 ; 2014: Nil)	**1,502**	-	**1,502**	-
Unit holder holding 10% or more of the units in issue				
Attock Cement Pakistan Limited				
Purchase of units (2015: 2,911,514 ; 2014: Nil)	**150,000**	-	**100,000**	-
Redemption of units (2015: 992,912 ; 2014: Nil)	**50,953**	-	**-**	-

16.2 Amounts outstanding as at the period / year end

	(Unaudited) December 31, 2015	(Audited) June 30, 2015
	------(Rupees in '000)------	
AKD Investment Management Limited - Management Company		
Management fee payable	**851**	668
Sales Load payable	**-**	198
Sales Tax on Management fee payable	**138**	116
Federal Excise Duty on Management fee payable	**3,264**	2,406
Units held (December 31, 2015: Nil units; June 30, 2015: 3,835 units)	**-**	193
AKD Investment Management Limited - Staff Provident Fund		
Units held (December 31, 2015: 16,069 units; June 30, 2015: 7,784 units)	**841**	391
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	**96**	76
CDS charges payable	**5**	4
Sales tax on Trustee fee payable	**14**	-
Sales tax on CDS Charges Payable	**1**	-
Security Deposit	**100**	100
AKD Opportunity Fund		
Payable to AKD Opportunity Fund against conversion of units	**1,502**	-
Director of the Management Company		
Saad Iqbal		
Units held (December 31, 2015: 98,097 units; June 30, 2015: Nil units)	**5,132**	-
Unit holder holding 10% or more of the units in issue		
Attock Cement Pakistan Limited		
Units held (December 31, 2015: 1,918,602 units ; June 30, 2015: Nil units)	**100,366**	-
National Bank of Pakistan Employees Pension Fund		
Units held (December 31, 2015: 7,068,946 units ; June 30, 2015: 7,068,946 units)	**369,790**	355,456

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund's accounting policy on fair value measurements of investments is discussed in note 3 to these condensed interim financial statements.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	December 31, 2015			
	Level 1	Level 2	Level 3	Total
	--------------------(Rupees in '000)--------------------			
Investment designated at fair value through profit or loss				
Term Finance Certificates	**-**	**25,598**	**-**	**25,598**
Government Securities	**-**	**353,473**	**-**	**353,473**
Listed Equity Securities	**71,589**	**-**	**-**	**71,589**
Available-for-sale investments				
Sukuk Certificates	**-**	**3,337**	**-**	**3,337**
	71,589	**382,408**	**-**	**453,997**

	June 30, 2015			
	Level 1	Level 2	Level 3	Total
	--------------------(Rupees in '000)--------------------			
Investment designated at fair value through profit or loss				
Term Finance Certificates	-	24,960	-	24,960
Government Securities	-	446,161	-	446,161
Available-for-sale investments				
Sukuk Certificates	-	3,606	-	3,606
	-	474,727	-	474,727

18. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 19, 2016 by the Board of Directors of the Management Company.

19. GENERAL

Figures have been rounded off to the nearest thousand Rupees.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala	**Nadeem Saulat Siddiqui**
Chief Executive Officer	Director

AKD Investment
Management Ltd.

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